Washington State Supreme Court rules in car tabs case, finds I-976 unconstitutional

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The Washington State Supreme Court has struck down the initiative voters passed last year that sought to reduce the cost of car tabs.

Initiative 976 aimed to limit car tabs to \$30 (\$\frac{\$43.25 \text{ with fees}}{}).

The high court heard <u>oral arguments</u> via Zoom earlier this year about <u>the</u> constitutionality of the measure, and published their opinion Thursday.

"The people of our state have the power to propose and approve legislation," Justice Steven González wrote for the majority. "When the people act in their legislative capacity, they are, like any other legislative body, bound by constitutional constraints. Under our constitution, '[n]o bill shall embrace more than one subject, and that shall be expressed in the title.' Initiative Measure 976 (I-976) contains more than one subject, and its subject is not accurately expressed in its title. Accordingly, it is unconstitutional."

Of the nine justices, all but Barbara Madsen signed the opinion. In her concurring opinion she explained: "Though I disagree with the majority that I-976 violates the subject-in-title rule, I agree that the measure contains an impermissible separate subject and is unconstitutional for that reason."

King County, Seattle and other jurisdictions filed a lawsuit, <u>Garfield County</u> <u>Transportation Authority</u>, et al v. State of <u>Washington</u>, to challenge I-976 after it passed. The initiative hadn't taken effect, due to the legal challenge.

Sound Transit — the transportation agency that serves King, Pierce and Snohomish counties — has said that reducing the car tab revenue would mean projects such as light rail expansion in the region would be delayed or cut.

Voters approved the Sound Transit 3 construction package in 2016, raising the motor vehicle excise tax to pay for the projects. In some cases vehicle registration costs several hundred dollars in those counties.

King and Snohomish county voters passed ST3. Most votes in Pierce County were against it. Pierce County voters approved I-976 by 66 percent, compared to 53 percent

statewide. The <u>Pierce County Council voted in December to intervene in the lawsuit</u> to help defend the initiative.

The ruling

Justice González wrote that: "The challengers contend that several provisions in I-976 are not germane to each other or to the general subject. Without reaching all of their arguments, we agree that section 12, which requires Sound Transit to retire, defease, or refinance bonds, is not germane to limiting vehicle taxes and fees, and the provisions of the initiative that carry out that subject. Thus, section 12 is an unconstitutional second subject."

The opinion goes on to say that the challengers also argued that "the ballot title is misleading because, among other things, it incorrectly suggests motor vehicle excise taxes will be reduced to \$30, that taxes previously approved by voters will survive, and that voters can still approve taxes in the future."

The ballot title put before voters was: "Initiative Measure No. 976 concerns motor vehicle taxes and fees. This measure would repeal, reduce, or remove authority to impose certain vehicle taxes and fees; limit annual motor-vehicle-license fees to \$30, except voter-approved charges; and base vehicle taxes on Kelley Blue Book value. Should this measure be enacted into law?"

The high court, González wrote, found "the initiative violates the subject-in-title rule because it is deceptive and misleading since the average informed lay voter would conclude voter approved taxes – such as those used to fund local and regional transportation projects across our state – would remain."

Tax activist Tim Eyman sponsored the initiative. He has repeatedly seen his voterapproved measures to limit car tab fees struck down by the Supreme Court over the past two decades. He called the latest ruling "beyond maddening."

"The voters were not confused by this measure," he told the Associated Press.

Eyman insisted that to reduce motor vehicle fees to \$30, Sound Transit's bonds had to be retired early or refinanced, though the agency said it would have to raise taxes, transfer money from existing projects and cut service to offset the cost of retiring its debt early.

He called on Gov. Jay Inslee to call a special session of the Legislature to restore I-976 to law. Republican Sen. Steve O'Ban said Thursday he would introduce legislation to do so, according to the Associated Press.

House Transportation Chair Rep. Jake Fey (D-Tacoma) said in a statement: "While this decision upholds funding for transportation projects, given the global downturn in the economy and public sentiment around car tabs, we still need to consider other ways of

addressing these needs. I've been working with stakeholders and other lawmakers on the House Transportation Committee regarding these vital services and how to fund other transportation needs across the state."

He noted that: "Because of constitutional restrictions on the use of gas taxes, revenues collected from car tabs are especially important for those people who rely on these services for their transportation needs."

Attorney General Bob Ferguson, whose office was charged with defending I-976, said in a statement: "To be candid, we knew this would be a difficult case. I-976 is the latest in a long list of Eyman tax initiatives struck down by the courts. In fact, Tim Eyman has never written a successful tax initiative that passed legal muster. Every one of his tax initiatives has been thrown out or partially blocked by the courts."

The Associated Press contributed to this report.



In this Feb. 12, 2020, file photo, Tim Eyman hands out \$30 car tab stickers while greeting supporters before officially announcing his campaign to run for governor of Washington as a Republican at McCormick Air Center in Yakima. The Washington Supreme Court has unanimously struck down Eyman's Initiative 976, a measure that would have steeply discounted the price of car registrations while gutting transportation budgets across the state. The justices on Thursday said the measure violated the state

constitution's requirement that initiatives be limited to a single subject and said its description on the ballot was misleading. Evan Abell AP



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